CALIFORNIA COASTAL COMMISSION

455 MARKET STREET, SUITE 300 SAN FRANCISCO, CA 94105-2219 VOICE (415) 904-5200 FAX (415) 904-5400 TDD (415) 597-5885 WWW.COASTAL.CA.GOV



Th₁₀a

Addendum

October 10, 2022

TO: Coastal Commissioners and Interested Parties

FROM: Dr. Kate Huckelbridge, Senior Deputy Director

Tom Luster, Senior Environmental Scientist

SUBJECT: Addendum to Staff Report for CDP Application 9-20-0691 (South Coast

Water District)

This addendum includes recommended edits to the September 30, 2022 staff report, including changes to one Standard Condition, several Special Conditions, and several changes to the proposed Findings. It also includes an updated Exhibit 2, which shows a slight change in the project footprint to encompass an additional small area within Doheny State Beach immediately downcoast of the area shown in the original exhibit, which is necessary to accommodate proposed changes to the bike path in that area. It also includes ex partes received to date.

The recommended edits provide several minor modifications and corrections to the staff report and are shown below in strikethrough and **bold underline** text. These changes do not modify staff's recommendation that the Commission **approve** the proposed project as conditioned.

Recommended Change to Standard Conditions

Standard Condition 5:

"Terms and Conditions Run with the Land. These terms and conditions shall be perpetual, and it is the intention of the Commission and the applicant to bind all future owners and possessors of the subject property to the terms and conditions; provided, however, that nothing in the terms and conditions of this permit shall bind, or be construed as binding, the California Department of Parks and Recreation or the California State Lands Commission."

Recommended Changes to Special Conditions

Special Condition 1:

"Final Project Plans. PRIOR TO THE START OF CONSTRUCTION ACTIVITIES FOR EACH MAJOR PROJECT COMPONENT, the Applicant shall provide, for Executive Director review and approval, final Design-Build level plans approved by a licensed civil or structural engineer for each major project component showing the locations and external dimensions of all relevant project components and illustrating that all project components will be built, to the extent feasible, to meet Structural Risk Category standards adequate to withstand the expected degree of seismic, flooding, and other hazards the project may be subject to. No changes to the approved project shall occur without an amendment to this permit unless the Executive Director determines that no amendment is legally necessary."

Special Condition 3 c):

- "c) Comparison of expanded recreational opportunities to impacts: The Plan shall include a comparison of the expanded camping and other recreational opportunities to the lost opportunities for camping due to construction of the proposed project. The comparison shall confirm that the number of lost camping opportunities is mitigated by an equal or greater number of new-additional camping and recreational opportunities in the vicinity of the project site and for the duration of the impact.
- d) Other recreational opportunities: The Plan shall may also describe any additional recreational opportunities that may be implemented to mitigate for the loss of camping opportunities at Doheny State Beach campground e.g., extended openings of day use areas, increased coastal access amenities such as additional parking areas being opened, etc."

Special Condition 4:

"h) Day use enhancements at Doheny State Beach: The Plan shall may also identify any proposed improvements to other parts of Doheny State Beach that would benefit day-use visitors."

Special Condition 5:

"Mitigation for Marine Life and Water Quality Impacts. PRIOR TO PERMIT ISSUANCE, the Applicant shall provide, for Executive Director review and approval, a Marine Life Mitigation Plan developed in consultation with and approval by the Regional Water Quality Control Board, that includes the following:

a) Mitigation site(s): the Plan shall identify a site or sites that are available to the Applicant and that will provide creation or restoration of at least approximately 7.45 acres of estuarine and/or marine habitat and provide suitable buffers or other site controls to ensure the site(s) can fully support the expected estuarine and/or marine habitat functions and values. The site(s) shall be located as close as is feasible to the Applicant's desalination outfall and no more than 50 miles upcoast or downcoast from that outfall..."

Special Condition 9:

"Geotechnical Study and Seismic Hazards Assessment. PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT CONSTRUCTION, the Applicant shall submit, for Executive Director review and approval, a site-specific, design-level Geotechnical Study and Seismic Hazards Assessment. The Plan shall include the following..."

Special Condition 12:

"No Future Shoreline Protective Device.

- a) By acceptance of this permit, the Applicant agrees, on behalf of itself and all other successors and assigns, that no shoreline protective device(s) shall be constructed to protect the wellheads and related <u>desalination project-related</u> development approved pursuant to Coastal Development Permit No. 9-20-0691 along Doheny State Beach in the event that the development is threatened with damage or destruction from flooding, waves, erosion, storm conditions, sea level rise, or other natural hazards in the future. By acceptance of this permit, the Applicant acknowledges that the project is new construction for which there is no right to construct shoreline protective devices, and hereby waives, on behalf of itself and all successors and assigns, any rights to construct such devices that may exist under applicable law. This subsection, and subsections (b) and (c), shall not be read as presumptively prohibiting changes to the flood walls along San Juan Creek in the vicinity of the plant site.
- b) By acceptance of this permit, the Applicant further agrees, on behalf of itself and all successors and assigns, that the landowner(s) shall remove the development authorized by this permit if: (a) any government agency has erdered that the structures are not to be occupied due to coastal hazards, or if any public agency requires the structures to be removed the City or any government agency with jurisdiction has issued a final order, not overturned through any appeal or writ proceedings, determining that the structures are currently and permanently unsafe for occupancy or use due to damage or destruction from waves, flooding, erosion, bluff retreat, landslides, or other hazards related to coastal processes, and that there are no feasible measures that could make the structures suitable for habitation or use without the use of bluff or shoreline protective devices;..."

Special Condition 16:

"Cultural Resource Monitoring During Construction. Prior to construction, SCWD (or its designee) shall retain a Cultural Resource Specialist ("CRS") that meets the minimum qualifications of the U.S. Secretary of Interior Guidelines (NPS 1983). Prior to construction, SCWD (or its designee) shall additionally retain a Native Monitor representing the Juaneño Band of Mission Indians, Acjachemen Nation-Belardes/Lucero."

Recommended Staff Report Modifications

Page 20, Project Description, first paragraph of well field description:

"Well field: The well field would include two to three slant well "pods" (subsurface vaults) wellheads accommodating up to five slant wells that would extract up to about 10 mgd of seawater from alluvial deposits located beneath the seafloor. The project's two wellheads would be located within Doheny State Beach, just south of the mouth of San Juan Creek (see Exhibit 2 – Project Well Field). Each wellhead would be located within a below-grade cast-in-place concrete vault that would include two or three slant wells, with the eventual configuration dependent in part on geotechnical investigations that would be conducted before construction. Each well would extend from about 600 to 900 up to 1,000 feet seaward beneath the beach and seafloor, with the offshore endpoint of each at about 75 to 130 feet beneath the seafloor (see Exhibit 3 – Slant Well Schematic Diagram). The wellhead vaults would be set back from the shoreline and above the beach to avoid or reduce expected effects of sea level rise and coastal hazards during their expected operating lives. The well field would also include an-one or two electrical control buildings to be constructed nearby that would house various controls. The electric control buildings would be about 12 feet wide, 15-25 feet long, and 10 feet high. Alternatively, there could be a main electrical building and smaller distributed electrical buildings located nearer to each well pod, to allow integration into other improvements, such as restrooms or kiosks. This would allow for reduced buried electrical infrastructure within the site and would reduce the main electrical building footprint."

Page 28, Public Access, first full paragraph:

"To ensure that these measures are implemented in a manner that maximizes public access to the shoreline, Special Condition 3 imposes several requirements meant to avoid or reduce the effects of the DSB campground closure, **Special Condition 3** requires that SCWD prepare a detailed Public Access Mitigation Plan that, based on the project's final construction schedule and the occupancy rates for peak and off-peak camping, identifies the expected total number of lost overnight camping opportunities, and then specifies the increased coastal

camping and recreational opportunities to be provided that will make up for those lost opportunities, consistent with the measures described in the Conceptual Agreement. These additional opportunities will be created largely through increased seasonal openings at other coastal campgrounds. The Plan will also identify measures that SCWD, in partnership with State Parks, will implement to facilitate opening these additional camping opportunities – for example, identifying funding sources and developing an outreach plan to inform the interested public of the openings. The Plan will also identify any new or modified infrastructure, such as gates or kiosks, needed to implement these openings and to describe what permits and approvals are needed to allow these infrastructure changes. It will also identify whether potential periods of additional openings would not be available due to seasonal closures that may be required for species protection – for example, if all or part of a campground is unavailable during avian breeding and nesting seasons. Further, the Plan shall ensure that the openings happen concurrent with, or as close as feasible to, the DSB campground closure."

Page 29, second bullet point at top of page:

"Enhanced interpretation and education areas: The campground's existing
interpretive center and amphitheater <u>area</u> will be replaced with a new
interpretation/<u>and</u>-education <u>center</u> area."

Page 29, first full paragraph:

"At this point, most of these expected improvements are not fully designed and are subject to additional review and planning by SCWD and State Parks, with many of the final details and commitments expected to be included as part of a Right of Entry permit approval from State Parks to SCWD and detailed in the Public Access and Recreation Plan which will be submitted for review and approval by the Executive Director. Further, many of these proposed improvements may be subject to subsequent application by SCWD or State Parks for coastal development permits once their designs are more complete and a full description and assessment can be provided."

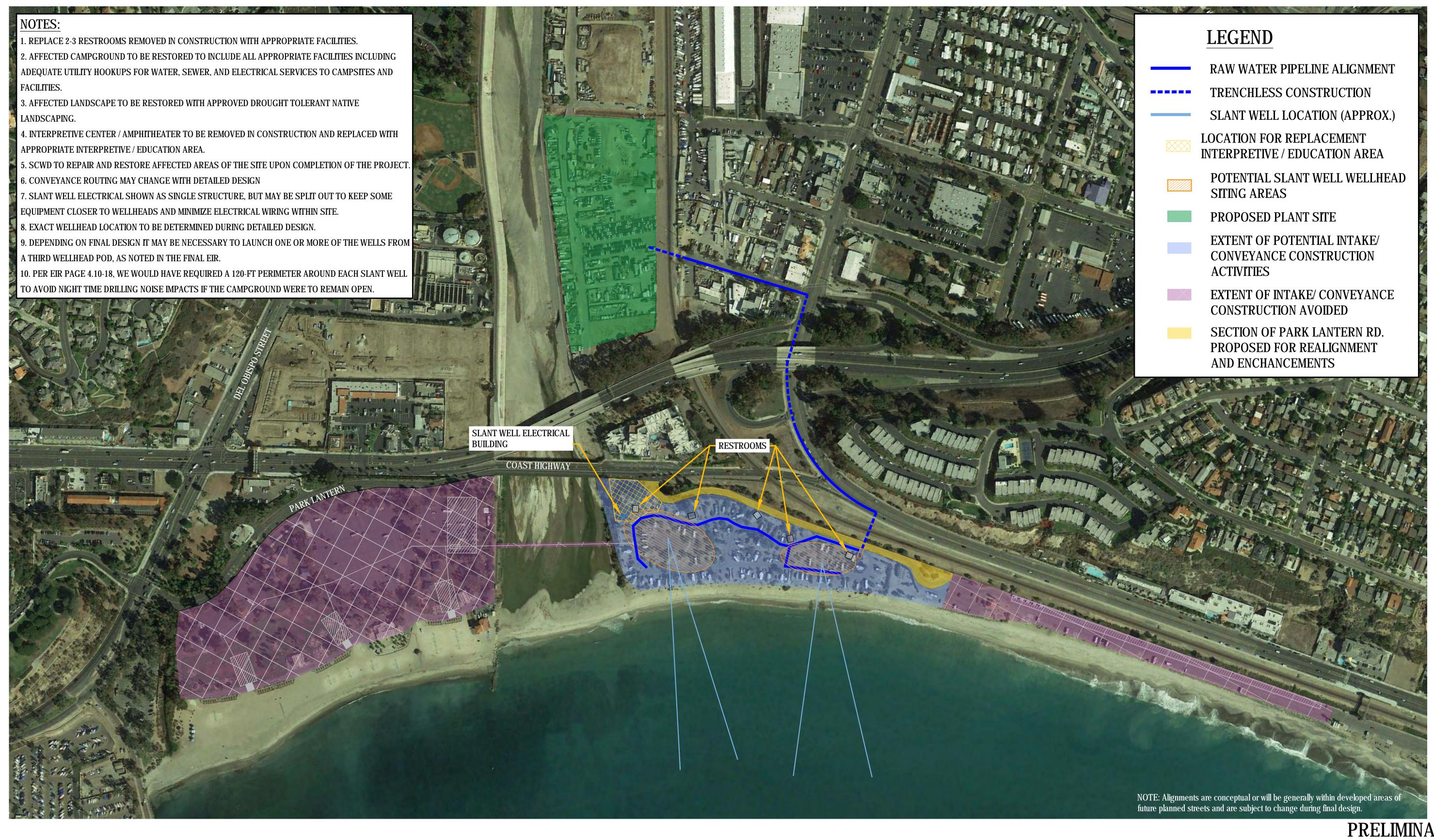
Page 34, end of partial first paragraph:

"As a result, SCWD will need to identify a different mitigation project to compensate for marine life impacts. Given the relatively small acreage required to compensate for impacts from the proposed project, it should be possible to quickly identify feasible and appropriate alternatives. Commission staff, in discussions with SCWD and other agencies, preliminarily identified at least three sites that could provide suitable mitigation for SCWD's impacts. These include a mitigation bank adjacent to the Los Cerritos site that is being developed by the Beach Oil Mineral Partners ("BOMP") and for which the Commission has approved a coastal development permit (CDP 9-18- 0395) and authorized the

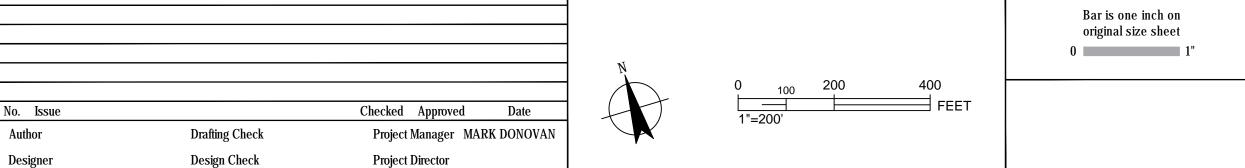
Executive Director to become a signatory. Another is the Newland Marsh restoration site in the City of Huntington Beach, which is an approximately 40-acre site owned by the Huntington Beach Wetlands Conservancy that has a preliminary restoration plan already in place. One additional opportunity is the restoration of the Aliso Creek estuary, which is a 6.5-acre estuary just downcoast in Laguna Beach, which has a completed conceptual restoration design in place. Finally, there may be an opportunity to conduct estuarine restoration adjacent to the project site within the San Juan Creek Lagoon, which is the subject of several studies evaluating potential recovery of steelhead populations and native lagoon habitat. SCWD would need to address a different set of issues and concerns at each site, but all three would appear to allow for completion of suitable, feasible, and timely mitigation."

Page 55, Tribal Consultation and Cultural Resources, second full paragraph:

"On August 8 and September 9, 2022, staff met with an official representative of the Gabrielino-Tongva Tribe of the San Gabriel Band of Mission Indians. The tribal representative said Gabrielino-Tongva Tribal Chief Anthony Morales has had not taken a position on the project because he has had questions and concerns, but in a subsequent conversation with staff on October 6th, Chief Morales said he decided to oppose the project. He The representative said that SCWD's tribal outreach was inadequate and that when they did reach out, representatives did not use accessible language, instead using technical terminology that was not understood by Tribal elders."



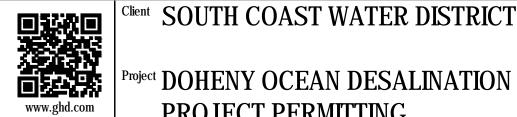
PRELIMINARY



This document and the ideas and designs incorporated herein, as an instrument of professional service, is the property of GHD. This document may only be used by GHD's client (and any other person who GHD has agreed can use this document) for the purpose for which it was prepared and must not be used by any other person or for any other purpose.

Project No.

11176121



ect DOHENY OCEAN DESALINATION

PROJECT PERMITTING

SEP 2022

AS SHOWN

Title FIGURE 1-2, MODIFIED PROJECT Th10 - Revised

Exhibit 2

EXPARTE COMMUNICATION DISCLOSURE FORM Filed by Commissioner Donne Brownsey

- 1)Name or description of project: Oct 13, 2022 Agenda, Item Th 10a Doheny Desalination project for South Coast Water District (SCWD).
- 2) Date and time of receipt of communication: October 6, 2022 at 2:00pm-2:30pm
- 3) Location of communication On Teams
- 4) Identity of person(s) initiating communication: Cynthia McClain-Hill
- 5) Identity of person(s) on whose behalf communication was made: SCWD
- 6) Identity of persons(s) receiving communication: Donne Brownsey
- 7) Identity of all person(s) present during the communication: Brownsey, McClain-Hill, Rick Shintaku General Manager SCWD, Kevin Thomas, Senior Manager Kimley Horn

Complete, comprehensive description of communication content:

Reviewed the prior activities and programs related to water conservation, reducing water losses and recycling before pursuing de-salination. Reviewed the widespread support and outreach to all jurisdictional authorities. The district decided the importance of developing a local water supply after doing their hazard assessments and the impact of the drought on their imported water supplies. They reviewed their proposed project and discussed their outreach to environmental, EJ and Tribal groups. They collaborated closely with State Parks.

Date October 6, 2022

Signature of Commissioner Donne Brownsey

Some Brun



DOHENY OCEAN DESALINATION PROJECT INFORMATION SHEET

The <u>Doheny Ocean Desalination Project</u> is a critical water supply project proposed by South Coast Water District ("SCWD" or "District"), capable of producing up to five million gallons per day (5 MGD) of potable water. SCWD is highly dependent upon imported water (typically 90% of its drinking water comes from MWDOC, and MWD wholesaler), which makes its customers vulnerable to imported water supply outage or shortage. SCWD also has limited groundwater resources, located in a shallow coastal aquifer along the south Orange County coast. The District has adopted an Integrated Water Resources Plan (IWRP) including imported and brackish water, groundwater, conservation, and recycling, as well as a commitment to pursue Indirect Potable Reuse and Direct Potable Reuse as these supplies become available. However, the IWRP indicates that even with this robust water supply portfolio, the District is in need of "new water" that is drought-proof and locally controlled to ensure accessibility to safe and reliable drinking water for its customers.

SCWD has identified the Doheny Ocean Desalination Project as the best solution to meet emergency and long-term water supply needs, consistent with the findings of the stakeholder-driven Water Reliability Working Group (2017) and the SCWD Board adopted IWRP (July 22, 2021). The Project has been developed over the last 20 years through a multi-agency collaborative approach that included feasibility studies, a test well successfully constructed and operated at Doheny State Beach from 2010 to 2012, and over the last seven years an extensive conceptual design and environmental review process for the currently proposed Project.

The Project coming before the Coastal Commission represents nearly 20 years of local agency and stakeholder collaboration, culminating in a modified Project concept developed in partnership with California State Parks. The modified Project concept substantially reduces the Project footprint within Doheny State Beach while aligning desalination Project objectives with State Parks' objectives for a modernized campground.

The facility's proposed location between Pacific Coast Highway and Stonehill Drive next to San Juan Creek is owned by SCWD and within 100 yards of existing regional water transmission lines. The Joint Regional Water Supply System, that is operated by SCWD will be used to distribute desalinated water to SCWD customers and south Orange County, significantly reducing costs and construction impacts.

Serving Critical Needs

- New, sustainable, local, high-quality water at a reasonable cost
- 90% dependency on imported water
- Reliability for natural disasters
- Drought-proof and resilient to climate change
- Up to 5 million gallons per day of drinking water supply
- Potential long-term and regional benefits

KEY NUMBERS

WATER RELIABILITY FOR SEISMIC RISKS -1 **Diemer Water Treatment Plant** (Orange County's Water Plant) Plant-2 Second Lower 3 Feeder West OC Feeder South Orange County's Main Water Transmission Lines (Blue Lines) San Joaquin Hills Fault PROPOSED PROJECT LOCATION **LEGEND** 4 RAW WATER PIPELINE ALIGNMENT TRENCHLESS CONSTRUCTION El Toro R-6 SLANT WELL LOCATION (APPROX.) LOCATION FOR REPLACEMENT INTERPRETIVE / EDUCATION AREA SCWD POTENTIAL SLANT WELL WELLHEAD SITING AREAS OWNED PROPOSED PLANT SITE EXTENT OF POTENTIAL INTAKE/ **PROPERTY** CONVEYANCE CONSTRUCTION 1 Earthquake Fault ACTIVITIES EXTENT OF INTAKE/ CONVEYANCE CONSTRUCTION AVOIDED X Fault intersect transmission lines (Possibly causing breaks SECTION OF PARK LANTERN RD. PROPOSED FOR REALIGNMENT Serviced by SCWD AND ENCHANCEMENTS Water transmission lines DOHENY STATE BEACH SOUTH COAST WATER DISTRICT Partnering With The Community

CLIMATE RESILIENCY

- Protected from coastal hazards by the Dana Point Harbor breakwater
- Consistent with Coastal Commission SLR guidance
- Coastal facilities will mostly be subsurface (slant wells, pipelines) with the desalination facility located inland on District-owned land
- Slant wells would be sited on existing disturbed areas of Doheny State Beach, in the campground area
- Resultant "new water" supply would provide climate resiliency to SCWD and other local agency customers

MITIGATION

- The Doheny Ocean Desalination Project would be the first in the state to be fully compliant with the Desalination Amendment to the California Ocean Plan
 - o Subsurface intakes eliminate marine life impingement and entrainment from source water intake
 - o Brine discharge would be comingled with existing wastewater discharge via the San Juan Creek Ocean Outfall
 - o Regional Board NPDES Permit includes a requirement to mitigate approximately 7.45 acres of marine coastal habitat (Area of Production Foregone)
- Project EIR identified no unavoidable significant impacts all impacts can be fully mitigated
- NOAA Fisheries has concurred with the NLAA determination (Not Likely to Adversely Affect)

STAKEHOLDER ENGAGEMENT

- Media Coverage: OC Register, LA Times, CalMatters, Dana Point Times, Capistrano Dispatch, San Clemente Times, The Log, Laguna Beach Independent, The Center Square, KCET, The Federalist, Valley News, Patch.com, "We Grow CA" podcast
- Social Media Posts: 30 posts on Twitter, Instagram, and Facebook, and NextDoor (11 posts within District boundaries only), since 2019 beginning with EIR outreach
- Project presentations with Q&A at various meetings: SJC, Dana Point and SC coffee chats; board meetings of Cities of SC and SJC, EMWD, EVMWD, ETWD, LBCWD, MNWD, Rancho Water, and SMWD; Sierra Club, Surfriders (Exec. Team), Doheny State Beach Foundation, and the Juaneño Band of Mission Indians, Acjachemen Nation Belardes & Lucero groups
- Two bill inserts to all customers with project updates & affordability resources
- Water Reliability Working Group, 2017
- California Environmental Quality Act (CEQA) review process in 2016-2019



Due Diligence Studies

- 1. Pilot Study (MWDOC prepared)
- 2. Conceptual Study on Ocean Water Augmentation
- 3. Construction Cost Peer Review
- 4. Delivery Method Assessment
- 5. Legislative Fix for Project Delivery and Funding
- 6. Slant Well Risk Workshop
- 7. Ratepayer Survey
- 8. Configuration Options Study
- 9. Integrated Water Resources
 Plan
- Foundational Actions Funding Program Study
- 11. Water Reliability Study TM

BI-PARTISAN SUPPORT

US Senator Feinstein
US Senator Padilla
Congressman Mike Levin
Congresswoman Michelle Steel
CA State Senator Pat Bates
CA State Senator Dave Min

CA State Assemblymember Cottie Petrie-Norris

CA State Assemblymember Laurie
Davies

Supervisor Lisa Bartlett
Bipartisan House and Senate –
Appropriations Bill